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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C.

	DA 93-1447
In the Matter of	
Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection for Special Access	CC Docket No. 93-162V
BellSouth Telecommunications () Revisions to Tariff F.C.C. No. 1	Transmittal No. 157
Southern New England Telephone Company) Revisions to Tariff F.C.C. No. 39	Transmittal No. 584
US West Communications () Revisions to Tariff F.C.C. No. 1	Transmittal No. 412

MEMORANDUM OPINION AND ORDER

Adopted: November 30, 1993; Released: November 30, 1993 By the Chief, Tariff Division:

1. On October 29, 1993, BellSouth Telecommunications, Inc. (BellSouth) filed Transmittal No. 157 to: lower the space connection charge and the interconnection floor space charge associated with Expanded Interconnection Service (EIS) to reflect employing only one card reader for each collocation area; reallocate costs for post-sale marketing work activities from the application fee to the space preparation charge for EIS and the equipment installation charge for virtual EIS (VEIS); set rates for virtual DS1 and DS3 cross-connect elements at the same levels as the corresponding physical cross-connect elements; and clarify application of a three hour minimum charge for security escorts. In addition, this filing would modify certain terms and conditions of BellSouth's EIS tariff and correct section references in its

VEIS tariff. Transmittal No. 157 is scheduled to become effective on December 13, 1993.

- 2. On November 5, 1993, US West Communications Inc. (US West) filed Transmittal No. 412 to reduce rates and charges for the following EIS rate elements: 1.544 Mbps physical and virtual EIS channel termination, riser, 48 volt DC power cable installation, cage enclosure buildout without redundant heating, ventilation and air conditioning, maintenance, and inspector labor. US West states that its costs for these rate elements have not changed from those it previously filed. Transmittal 412 is scheduled to take effect on December 20, 1993.
- On November 12, 1993, the Southern New England Telephone Company (SNET) filed Transmittal No. 584 to, inter alia, remove overhead loadings from all nonrecurring and certain recurring rate elements, lower certain administrative and developmental costs to reflect updated work estimates, remove point of termination costs from the collocated space construction charge rate element, eliminate asbestos removal costs, change floor space rental costs from replacement value to market value, and lower the cost of money from 11.34 percent to 10.33 percent. In addition, Transmittal 584 would lower the following charges: application fee, collocated space construction charge and recurring charges, DC power rate element, DS3 and DS1 cross-connect nonrecurring charges, and splicing, pulling and design engineering charge. This filing would raise DS3 and DS1 recurring charges and riser charges, and would adjust the charge for inner duct per foot to reflect changes in the cost of money and the overhead loading factor. SNET states that these changes, which are based on revised administrative procedures and work estimates, more accurately reflect the costs of providing this service. The effective date of these revisions is December 27, 1993.
- 4. These transmittals raise the same issues regarding cost allocations, rate levels, rate structures, and terms and conditions of service as those identified in the <u>Expanded Interconnection Order</u>. Therefore, Transmittal Nos. 157 412, and 584 will be

¹On November 12, 1993, BellSouth filed Transmittal No. 164 to comply with Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection for Special Access, CC Docket No. 93-162 (released Nov. 12, 1993) (Interim Order), discussed in footnote 3, infra. The rate filed in Transmittal 164 for the interconnection floor space charge, \$456.57 per month, supersedes the rate of \$826.00 per month that was filed in Transmittal 157. Transmittal 164 became effective on November 15, 1993.

²Ameritech Operating Companies, <u>et. al</u>, CC Docket No. 93-162, 8 FCC Rcd 4589 (Com.Car.Bur. 1993) (<u>Expanded Interconnection Tariff</u> Order).

advanced to become effective on December 2, 1993, following a one-day suspension, and will be subject to the investigation initiated in the Expanded Interconnection Tariff Order. These rates will also be subject to an accounting order to facilitate any refunds that may later prove necessary.

- 5. ACCORDINGLY, IT IS ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, 47 U.S.C. § 204(a), and Section 0.291 of the Commission's Rules, 47 C.F.R. § 0.291, the revisions to BellSouth Tariff F.C.C. No. 1, Transmittal No. 157, SNET Tariff F.C.C. No. 39, Transmittal No. 584, and US West Tariff F.C.C. No. 1, Transmittal No. 412 ARE SUSPENDED for one day and an investigation of the referenced tariff transmittals IS INSTITUTED.
- 6. IT IS FURTHER ORDERED that BellSouth, SNET, and US West SHALL FILE tariff revisions on December 1, 1993 to reflect this suspension and to advance the effective date of the above referenced transmittals.
- 7. IT IS FURTHER ORDERED that, for these purposes, we waive Sections 61.56, 61.58 and 61.59 of the Commission's Rules, 47 C.F.R. §§ 61.56, 61.58, and 61.59. BellSouth, SNET and US West should cite the "DA" number of the instant Order as the authority for this filing.
- 8. IT IS FURTHER ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, 47 U.S.C. §204(a), BellSouth, SNET

In an Order released July 23, 1993, the Bureau designated the issues to be investigated in connection with the special access expanded interconnection tariffs. See Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection for Special Access, CC Docket No. 93-162, 8 FCC Rcd 6909 (Com.Car.Bur. 1993). On November 12, 1993, the Commission released the Interim Order in which it prescribed, on an interim basis, a maximum permissible overhead loading factor for expanded interconnection rates, pending further investigation. The interim prescription is subject to a two-way adjustment mechanism that will protect both EIS customers and local exchange carriers in the event refunds or supplemental payments are warranted at the conclusion of the investigation. See Interim Order at paras. 37-39.

and US West shall keep accurate account of all amounts received by reason of the rates that are the subject of this investigation.

FEDERAL COMMUNICATIONS COMMISSION

Gregory J. Wogt Chief, Tariff Division

Common Carrier Bureau